

Save-the-Date

Please save-the date for a Department of Health Care Services (DHCS) meeting in December to allow for discussions regarding the CalAIM and Medi-Cal RX proposal for Tribes and Designees of Indian Health Programs. The meeting will be held in Sacramento, CA. Please see confirmed meeting details and registration information below.

Meeting Information:

Tribal and Designees of Indian Health Programs Meeting on DHCS CalAIM Proposal and Medi-Cal RX Meeting

Date: December 6, 2019 Time: 9:00 a.m. to 4 p.m.

Location: California Secretary of State-1st Floor Multipurpose Room

1500 11th St, Sacramento, CA 95814 Please see attached list of nearby parking.

Registration: Registration is requested. You can register by contacting Elva Galindo at 916-713-8622 or by email at elva.galindo@dhcs.ca.gov. Please provide name, organization, and contact information. Lunch will be on your own.

Background Information:

California Advancing and Innovating Medi-Cal

California Advancing and Innovating Medi-Cal (CalAIM), is a multi-year initiative by DHCS to improve the quality of life and health outcomes of our population by implementing broad delivery system, program and payment reform across the Medi-Cal program. The major components of CalAIM build upon the successful outcomes of various pilots (including but not limited to the Whole Person Care Pilots, Health Homes, and the Coordinated Care Initiative) from the previous federal waivers and will result in better quality of life for Medi-Cal members as well as long-term cost savings/avoidance. CalAIM has three primary goals:

- 1. Identify and manage member risk and need through Whole Person Care approaches and addressing Social Determinants of Health;
- 2. Move Medi-Cal to a more consistent and seamless system by reducing complexity and increasing flexibility; and
- 3. Improve quality outcomes and drive delivery system transformation through value-based initiatives, modernization of systems and payment reform.

DHCS formally released the CalAIM proposal on October 29, 2019, at the Stakeholder Advisory Committee (SAC) and Behavioral Health Stakeholder Advisory Committee (BH-SAC) meetings. Throughout the remainder of 2019 and 2020, DHCS will conduct extensive stakeholder engagement for both CalAIM and the renewal of the federal authorities under which Medi-Cal operates (i.e. 1115 and 1915b waivers).

For more information on CalAIM please visit: https://www.dhcs.ca.gov/calaim

Medi-Cal Pharmacy Transition

On January 7, 2019, Governor Gavin Newsom issued Executive Order N-01-19 (<u>EO-N-01-19</u>) for achieving cost-savings for drug purchases made by the state. A key component of EO N-01-19 requires the Department of Health Care Services (DHCS) transition all Medi-Cal pharmacy services from managed care (MC) to fee for service (FFS) by January 1, 2021.

Transitioning pharmacy services from MC to FFS will, among other things:

- Standardize the Medi-Cal pharmacy benefit statewide, under one delivery system.
- Improve access to pharmacy services with a pharmacy network that includes approximately 97 percent of the state's pharmacies.
- Apply statewide utilization management protocols to all outpatient drugs.
- Strengthen California's ability to negotiate state supplemental drug rebates with drug manufacturers.

The Medi-Cal pharmacy benefits and services administered by DHCS in the FFS delivery system will be identified collectively as "**Medi-Cal Rx**".

To find out more about the stakeholder process for Medi-Cal RX please visit the DHCS website here.

For general questions relating to Medi-Cal Rx, please direct your comments and questions to: RxCarveOut@dhcs.ca.gov.

DHCS has posted a Frequently Asked Questions (FAQ) document, titled "Medi-Cal Rx: Transitioning Medi-Cal Pharmacy Services from Managed Care to Fee-For-Service," to the DHCS Medi-Cal Rx: Transition webpage.